

YEAR 2002

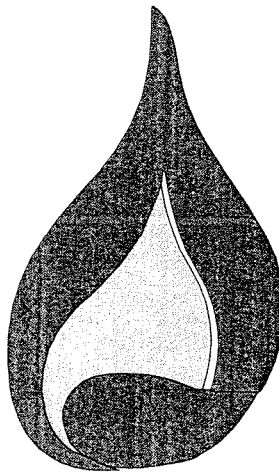
ANNUAL REPORT
OF
Havre Pipeline Company

GAS UTILITY

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MAY 01 2003

MONT. P. S. COMMISSION



TO THE
PUBLIC SERVICE COMMISSION
STATE OF MONTANA
1701 PROSPECT AVENUE
P.O. BOX 202601
HELENA, MT 59620-2601

Gas Annual Report

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IDENTIFICATION

Year: 2002

- | | | |
|-----|---|--|
| 1. | Legal Name of Respondent: | Havre Pipeline Company, LLC |
| 2. | Name Under Which Respondent Does Business: | Havre Pipeline Company, LLC |
| 3. | Date Utility Service First Offered in Montana | October 1, 1995 |
| 4. | Address to send Correspondence Concerning Report: | 1001 Fannin, Suite 1600
Houston, TX 77002 |
| 5. | Person Responsible for This Report: | Thomas Martin |
| 5a. | Telephone Number: | (713) 265-6033 |

Control Over Respondent

- | | | |
|-----|--|-------------------------------------|
| 1. | If direct control over the respondent was held by another entity at the end of year provide the following: | |
| 1a. | Name and address of the controlling organization or person: | Ocean Energy, Inc.
same as above |
| 1b. | Means by which control was held: | Managing Member |
| 1c. | Percent Ownership: | 58% |

SCHEDULE 2

Board of Directors		
Line No.	Name of Director and Address (City, State) (a)	Remuneration (b)
1	NONE	
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Officers

Year: 2002

Line No.	Title of Officer (a)	Department Supervised (b)	Name (c)
1	See Schedule 1, Note 1		
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CORPORATE STRUCTURE

Year: 2002

	Subsidiary/Company Name	Line of Business	Earnings	Percent of Total
1	NONE			
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50	TOTAL			

CORPORATE ALLOCATIONS

Year: 2002

	Items Allocated	Classification	Allocation Method	\$ to MT Utility	MT %	\$ to Other
1	NONE					
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34	TOTAL					

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY

Year: 2002

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility
1	Ocean Energy, Inc.	Management services	Management agreement	237,997		237,997
2	Ocean Energy, Inc.	Labor cost	Actual payroll cost	307,003		307,003
3	Big Sky Gas Marketing	Natrual gas	Actual cost of gas	152,537		152,537
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32	TOTAL			697,537		697,537

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY Year: 2002

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1	Ocean Energy, Inc.	Farmstead gas service	Regulated	6,497		6,497
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32	TOTAL			6,497		6,497

MONTANA UTILITY INCOME STATEMENT

Year: 2002

	Account Number & Title	Last Year	This Year	% Change
1	400 Operating Revenues	3,247,780	2,962,693	-8.78%
2				
3	Operating Expenses			
4	401 Operation Expenses	1,442,612	1,659,424	15.03%
5	402 Maintenance Expense	1,143,865	1,085,211	-5.13%
6	403 Depreciation Expense	1,227,000	791,099	-35.53%
7	404-405 Amort. & Depl. of Gas Plant	6,944	6,944	
8	406 Amort. of Gas Plant Acquisition Adjustments			
9	407.1 Amort. of Property Losses, Unrecovered Plant			
10	& Regulatory Study Costs			
11	407.2 Amort. of Conversion Expense			
12	408.1 Taxes Other Than Income Taxes	517,466	553,663	7.00%
13	409.1 Income Taxes - Federal			
14	- Other			
15	410.1 Provision for Deferred Income Taxes			
16	411.1 (Less) Provision for Def. Inc. Taxes - Cr.			
17	411.4 Investment Tax Credit Adjustments			
18	411.6 (Less) Gains from Disposition of Utility Plant			
19	411.7 Losses from Disposition of Utility Plant		98,746	100.00%
20	TOTAL Utility Operating Expenses	4,337,887	4,195,087	-3.29%
21	NET UTILITY OPERATING INCOME	(1,090,107)	(1,232,394)	-13.05%

MONTANA REVENUES

SCHEDULE 9

	Account Number & Title	Last Year	This Year	% Change
1	Sales of Gas			
2	480 Residential			
3	481 Commercial & Industrial - Small	82,426	87,502	6.16%
4	Commercial & Industrial - Large			
5	482 Other Sales to Public Authorities	4,681	7,804	66.72%
6	484 Interdepartmental Sales			
7	485 Intracompany Transfers			
8	TOTAL Sales to Ultimate Consumers	87,107	95,306	9.41%
9	483 Sales for Resale			
10	TOTAL Sales of Gas	87,107	95,306	9.41%
11	Other Operating Revenues			
12	487 Forfeited Discounts & Late Payment Revenues			
13	488 Miscellaneous Service Revenues			
14	489 Revenues from Transp. of Gas for Others	3,160,674	2,867,387	-9.28%
15	490 Sales of Products Extracted from Natural Gas			
16	491 Revenues from Nat. Gas Processed by Others			
17	492 Incidental Gasoline & Oil Sales			
18	493 Rent From Gas Property			
19	494 Interdepartmental Rents			
20	495 Other Gas Revenues			
21	TOTAL Other Operating Revenues	3,160,674	2,867,387	-9.28%
22	Total Gas Operating Revenues	3,247,781	2,962,693	-8.78%
23				
24	496 (Less) Provision for Rate Refunds			
25				
26	TOTAL Oper. Revs. Net of Pro. for Refunds	3,247,781	2,962,693	-8.78%
27				

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2002

Account Number & Title		Last Year	This Year	% Change
1	Production Expenses			
2	Production & Gathering - Operation			
3	750 Operation Supervision & Engineering			
4	751 Production Maps & Records			
5	752 Gas Wells Expenses			
6	753 Field Lines Expenses			
7	754 Field Compressor Station Expenses			
8	755 Field Compressor Station Fuel & Power			
9	756 Field Measuring & Regulating Station Expense			
10	757 Purification Expenses			
11	758 Gas Well Royalties			
12	759 Other Expenses			
13	760 Rents			
14	Total Operation - Natural Gas Production			
15	Production & Gathering - Maintenance			
16	761 Maintenance Supervision & Engineering			
17	762 Maintenance of Structures & Improvements			
18	763 Maintenance of Producing Gas Wells			
19	764 Maintenance of Field Lines			
20	765 Maintenance of Field Compressor Sta. Equip.			
21	766 Maintenance of Field Meas. & Reg. Sta. Equip.			
22	767 Maintenance of Purification Equipment			
23	768 Maintenance of Drilling & Cleaning Equip.			
24	769 Maintenance of Other Equipment			
25	Total Maintenance- Natural Gas Prod.			
26	TOTAL Natural Gas Production & Gathering			
27	Products Extraction - Operation			
28	770 Operation Supervision & Engineering			
29	771 Operation Labor			
30	772 Gas Shrinkage			
31	773 Fuel			
32	774 Power			
33	775 Materials			
34	776 Operation Supplies & Expenses			
35	777 Gas Processed by Others			
36	778 Royalties on Products Extracted			
37	779 Marketing Expenses			
38	780 Products Purchased for Resale			
39	781 Variation in Products Inventory			
40	782 (Less) Extracted Products Used by Utility - Cr.			
41	783 Rents			
42	Total Operation - Products Extraction			
43	Products Extraction - Maintenance			
44	784 Maintenance Supervision & Engineering			
45	785 Maintenance of Structures & Improvements			
46	786 Maintenance of Extraction & Refining Equip.			
47	787 Maintenance of Pipe Lines			
48	788 Maintenance of Extracted Prod. Storage Equip.			
49	789 Maintenance of Compressor Equipment			
50	790 Maintenance of Gas Meas. & Reg. Equip.			
51	791 Maintenance of Other Equipment			
52	Total Maintenance - Products Extraction			
53	TOTAL Products Extraction			

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2002

Account Number & Title		Last Year	This Year	% Change
1	Production Expenses - continued			
2				
3	Exploration & Development - Operation			
4	795 Delay Rentals			
5	796 Nonproductive Well Drilling			
6	797 Abandoned Leases			
7	798 Other Exploration			
8	TOTAL Exploration & Development			
9				
10	Other Gas Supply Expenses - Operation			
11	800 Natural Gas Wellhead Purchases			
12	800.1 Nat. Gas Wellhead Purch., Intracomp. Trans.			
13	801 Natural Gas Field Line Purchases	200,483	76,140	-62.02%
14	802 Natural Gas Gasoline Plant Outlet Purchases			
15	803 Natural Gas Transmission Line Purchases			
16	804 Natural Gas City Gate Purchases			
17	805 Other Gas Purchases			
18	805.1 Purchased Gas Cost Adjustments			
19	805.2 Incremental Gas Cost Adjustments			
20	806 Exchange Gas			
21	807.1 Well Expenses - Purchased Gas			
22	807.2 Operation of Purch. Gas Measuring Stations			
23	807.3 Maintenance of Purch. Gas Measuring Stations			
24	807.4 Purchased Gas Calculations Expenses			
25	807.5 Other Purchased Gas Expenses			
26	808.1 Gas Withdrawn from Storage -Dr.			
27	808.2 (Less) Gas Delivered to Storage -Cr.			
28	809.2 (Less) Deliveries of Nat. Gas for Processing-Cr.			
29	810 (Less) Gas Used for Compressor Sta. Fuel-Cr.			
30	811 (Less) Gas Used for Products Extraction-Cr.			
31	812 (Less) Gas Used for Other Utility Operations-Cr.			
32	813 Other Gas Supply Expenses			
33	TOTAL Other Gas Supply Expenses	200,483	76,140	-62.02%
34				
35	TOTAL PRODUCTION EXPENSES	200,483	76,140	-62.02%

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2002

Account Number & Title		Last Year	This Year	% Change
1	Storage, Terminaling & Processing Expenses			
2				
3	Underground Storage Expenses - Operation			
4	814 Operation Supervision & Engineering			
5	815 Maps & Records			
6	816 Wells Expenses			
7	817 Lines Expenses			
8	818 Compressor Station Expenses			
9	819 Compressor Station Fuel & Power			
10	820 Measuring & Reg. Station Expenses			
11	821 Purification Expenses			
12	822 Exploration & Development			
13	823 Gas Losses			
14	824 Other Expenses			
15	825 Storage Well Royalties			
16	826 Rents			
17	Total Operation - Underground Strg. Exp.			
18				
19	Underground Storage Expenses - Maintenance			
20	830 Maintenance Supervision & Engineering			
21	831 Maintenance of Structures & Improvements			
22	832 Maintenance of Reservoirs & Wells			
23	833 Maintenance of Lines			
24	834 Maintenance of Compressor Station Equip.			
25	835 Maintenance of Meas. & Reg. Sta. Equip.			
26	836 Maintenance of Purification Equipment			
27	837 Maintenance of Other Equipment			
28	Total Maintenance - Underground Storage			
29	TOTAL Underground Storage Expenses			
30				
31	Other Storage Expenses - Operation			
32	840 Operation Supervision & Engineering			
33	841 Operation Labor and Expenses			
34	842 Rents			
35	842.1 Fuel			
36	842.2 Power			
37	842.3 Gas Losses			
38	Total Operation - Other Storage Expenses			
39				
40	Other Storage Expenses - Maintenance			
41	843.1 Maintenance Supervision & Engineering			
42	843.2 Maintenance of Structures & Improvements			
43	843.3 Maintenance of Gas Holders			
44	843.4 Maintenance of Purification Equipment			
45	843.6 Maintenance of Vaporizing Equipment			
46	843.7 Maintenance of Compressor Equipment			
47	843.8 Maintenance of Measuring & Reg. Equipment			
48	843.9 Maintenance of Other Equipment			
49	Total Maintenance - Other Storage Exp.			
50	TOTAL - Other Storage Expenses			
51				
52	TOTAL - STORAGE, TERMINALING & PROC.			

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2002

Account Number & Title		Last Year	This Year	% Change
1	Transmission Expenses			
2	Operation			
3	850 Operation Supervision & Engineering	327,592	307,003	-6.28%
4	851 System Control & Load Dispatching			
5	852 Communications System Expenses			
6	853 Compressor Station Labor & Expenses			
7	854 Gas for Compressor Station Fuel			
8	855 Other Fuel & Power for Compressor Stations			
9	856 Mains Expenses	462,066	849,383	83.82%
10	857 Measuring & Regulating Station Expenses			
11	858 Transmission & Compression of Gas by Others			
12	859 Other Expenses			
13	860 Rents	151,048	64,422	-57.35%
14	Total Operation - Transmission	940,706	1,220,808	29.78%
15	Maintenance			
16	861 Maintenance Supervision & Engineering			
17	862 Maintenance of Structures & Improvements			
18	863 Maintenance of Mains	163,104	38,933	-76.13%
19	864 Maintenance of Compressor Station Equip.	945,210	1,011,466	7.01%
20	865 Maintenance of Measuring & Reg. Sta. Equip.	35,551	34,812	-2.08%
21	866 Maintenance of Communication Equipment			
22	867 Maintenance of Other Equipment			
23	Total Maintenance - Transmission	1,143,865	1,085,211	-5.13%
24	TOTAL Transmission Expenses	2,084,571	2,306,019	10.62%
25	Distribution Expenses			
26	Operation			
27	870 Operation Supervision & Engineering			
28	871 Distribution Load Dispatching			
29	872 Compressor Station Labor and Expenses			
30	873 Compressor Station Fuel and Power			
31	874 Mains and Services Expenses			
32	875 Measuring & Reg. Station Exp.-General			
33	876 Measuring & Reg. Station Exp.-Industrial			
34	877 Meas. & Reg. Station Exp.-City Gate Ck. Sta.			
35	878 Meter & House Regulator Expenses			
36	879 Customer Installations Expenses			
37	880 Other Expenses			
38	881 Rents			
39	Total Operation - Distribution			
40	Maintenance			
41	885 Maintenance Supervision & Engineering			
42	886 Maintenance of Structures & Improvements			
43	887 Maintenance of Mains			
44	888 Maint. of Compressor Station Equipment			
45	889 Maint. of Meas. & Reg. Station Exp.-General			
46	890 Maint. of Meas. & Reg. Sta. Exp.-Industrial			
47	891 Maint. of Meas. & Reg. Sta. Equip.-City Gate			
48	892 Maintenance of Services			
49	893 Maintenance of Meters & House Regulators			
50	894 Maintenance of Other Equipment			
51	Total Maintenance - Distribution			
52	TOTAL Distribution Expenses			

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2002

Account Number & Title		Last Year	This Year	% Change
1				
2	Customer Accounts Expenses			
3	Operation			
4	901 Supervision			
5	902 Meter Reading Expenses			
6	903 Customer Records & Collection Expenses			
7	904 Uncollectible Accounts Expenses			
8	905 Miscellaneous Customer Accounts Expenses			
9				
10	TOTAL Customer Accounts Expenses			
11				
12	Customer Service & Informational Expenses			
13	Operation			
14	907 Supervision			
15	908 Customer Assistance Expenses			
16	909 Informational & Instructional Advertising Exp.			
17	910 Miscellaneous Customer Service & Info. Exp.			
18				
19	TOTAL Customer Service & Info. Expenses			
20				
21	Sales Expenses			
22	Operation			
23	911 Supervision			
24	912 Demonstrating & Selling Expenses			
25	913 Advertising Expenses			
26	916 Miscellaneous Sales Expenses			
27				
28	TOTAL Sales Expenses			
29				
30	Administrative & General Expenses			
31	Operation			
32	920 Administrative & General Salaries			
33	921 Office Supplies & Expenses	79,009	83,307	5.44%
34	922 (Less) Administrative Expenses Transferred - Cr.			
35	923 Outside Services Employed	205,004	237,997	16.09%
36	924 Property Insurance	14,252	31,948	124.17%
37	925 Injuries & Damages			
38	926 Employee Pensions & Benefits			
39	927 Franchise Requirements			
40	928 Regulatory Commission Expenses			
41	929 (Less) Duplicate Charges - Cr.			
42	930.1 General Advertising Expenses	1,225	6,933	465.96%
43	930.2 Miscellaneous General Expenses	281		-100.00%
44	931 Rents	1,652	2,291	38.68%
45				
46	TOTAL Operation - Admin. & General	301,423	362,476	20.25%
47	Maintenance			
48	935 Maintenance of General Plant			
49				
50	TOTAL Administrative & General Expenses	301,423	362,476	20.25%
51	TOTAL OPERATION & MAINTENANCE EXP.	2,586,477	2,744,635	6.11%

MONTANA TAXES OTHER THAN INCOME

Year: 2002

	Description of Tax	Last Year	This Year	% Change
1	Payroll Taxes			
2	Superfund			
3	Secretary of State			
4	Montana Consumer Counsel	2,596	2,442	-5.93%
5	Montana PSC	8,673	6,736	-22.33%
6	Franchise Taxes			
7	Property Taxes	506,197	544,485	7.56%
8	Tribal Taxes			
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51	TOTAL MT Taxes other than Income	517,466	553,663	7.00%

PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES

Year: 2002

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	Hal Kissner	Welding service	85,205	85,205	
2	J. B Antley	Construction supervisio	9,565	9,565	
3	Andrain Hunter	Construction supervisio	4,500	4,500	
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50	TOTAL Payments for Services		99,270	99,270	

POLITICAL ACTION COMMITTEES / POLITICAL CONTRIBUTIONS Year: 2002

	Description	Total Company	Montana	% Montana
1	NONE			
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50	TOTAL Contributions			

Pension Costs

Year: 2002

1	Plan Name N/A			
2	Defined Benefit Plan? _____		Defined Contribution Plan? _____	
3	Actuarial Cost Method? _____		IRS Code: _____	
4	Annual Contribution by Employer: _____		Is the Plan Over Funded? _____	
5				
	Item	Current Year	Last Year	% Change
6	Change in Benefit Obligation			
7	Benefit obligation at beginning of year			
8	Service cost			
9	Interest Cost			
10	Plan participants' contributions			
11	Amendments			
12	Actuarial Gain			
13	Acquisition			
14	Benefits paid			
15	Benefit obligation at end of year			
16	Change in Plan Assets			
17	Fair value of plan assets at beginning of year			
18	Actual return on plan assets			
19	Acquisition			
20	Employer contribution			
21	Plan participants' contributions			
22	Benefits paid			
23	Fair value of plan assets at end of year			
24	Funded Status			
25	Unrecognized net actuarial loss			
26	Unrecognized prior service cost			
27	Prepaid (accrued) benefit cost			
28				
29	Weighted-average Assumptions as of Year End			
30	Discount rate			
31	Expected return on plan assets			
32	Rate of compensation increase			
33				
34	Components of Net Periodic Benefit Costs			
35	Service cost			
36	Interest cost			
37	Expected return on plan assets			
38	Amortization of prior service cost			
39	Recognized net actuarial loss			
40	Net periodic benefit cost			
41				
42	Montana Intrastate Costs:			
43	Pension Costs			
44	Pension Costs Capitalized			
45	Accumulated Pension Asset (Liability) at Year End			
46	Number of Company Employees:			
47	Covered by the Plan			
48	Not Covered by the Plan			
49	Active			
50	Retired			
51	Deferred Vested Terminated			

Other Post Employment Benefits (OPEBS)

Item	Current Year	Last Year	% Change
1 Regulatory Treatment: N/A			
2 Commission authorized - most recent			
3 Docket number: _____			
4 Order number: _____			
5 Amount recovered through rates			
6 Weighted-average Assumptions as of Year End			
7 Discount rate			
8 Expected return on plan assets			
9 Medical Cost Inflation Rate			
10 Actuarial Cost Method			
11 Rate of compensation increase			
12 List each method used to fund OPEBs (ie: VEBA, 401(h)) and if tax advantaged:			
13			
14			
15 Describe any Changes to the Benefit Plan:			
16			
17 TOTAL COMPANY	N/A	N/A	
18 Change in Benefit Obligation			
19 Benefit obligation at beginning of year			
20 Service cost			
21 Interest Cost			
22 Plan participants' contributions			
23 Amendments			
24 Actuarial Gain			
25 Acquisition			
26 Benefits paid			
27 Benefit obligation at end of year			
28 Change in Plan Assets			
29 Fair value of plan assets at beginning of year			
30 Actual return on plan assets			
31 Acquisition			
32 Employer contribution			
33 Plan participants' contributions			
34 Benefits paid			
35 Fair value of plan assets at end of year			
36 Funded Status			
37 Unrecognized net actuarial loss			
38 Unrecognized prior service cost			
39 Prepaid (accrued) benefit cost			
40 Components of Net Periodic Benefit Costs			
41 Service cost			
42 Interest cost			
43 Expected return on plan assets			
44 Amortization of prior service cost			
45 Recognized net actuarial loss			
46 Net periodic benefit cost			
47 Accumulated Post Retirement Benefit Obligation			
48 Amount Funded through VEBA			
49 Amount Funded through 401(h)			
50 Amount Funded through Other _____			
51 TOTAL			
52 Amount that was tax deductible - VEBA			
53 Amount that was tax deductible - 401(h)			
54 Amount that was tax deductible - Other _____			
55 TOTAL			

Year: 2002

Other Post Employment Benefits (OPEBS) Continued

	Item	Current Year	Last Year	% Change
1	Number of Company Employees:			
2	Covered by the Plan			
3	Not Covered by the Plan			
4	Active			
5	Retired			
6	Spouses/Dependants covered by the Plan			
7	Montana	N/A	N/A	
8	Change in Benefit Obligation			
9	Benefit obligation at beginning of year			
10	Service cost			
11	Interest Cost			
12	Plan participants' contributions			
13	Amendments			
14	Actuarial Gain			
15	Acquisition			
16	Benefits paid			
17	Benefit obligation at end of year			
18	Change in Plan Assets			
19	Fair value of plan assets at beginning of year			
20	Actual return on plan assets			
21	Acquisition			
22	Employer contribution			
23	Plan participants' contributions			
24	Benefits paid			
25	Fair value of plan assets at end of year			
26	Funded Status			
27	Unrecognized net actuarial loss			
28	Unrecognized prior service cost			
29	Prepaid (accrued) benefit cost			
30	Components of Net Periodic Benefit Costs			
31	Service cost			
32	Interest cost			
33	Expected return on plan assets			
34	Amortization of prior service cost			
35	Recognized net actuarial loss			
36	Net periodic benefit cost			
37	Accumulated Post Retirement Benefit Obligation			
38	Amount Funded through VEBA			
39	Amount Funded through 401(h)			
40	Amount Funded through other _____			
41	TOTAL			
42	Amount that was tax deductible - VEBA			
43	Amount that was tax deductible - 401(h)			
44	Amount that was tax deductible - Other			
45	TOTAL			
46	Montana Intrastate Costs:			
47	Pension Costs			
48	Pension Costs Capitalized			
49	Accumulated Pension Asset (Liability) at Year End			
50	Number of Montana Employees:			
51	Covered by the Plan			
52	Not Covered by the Plan			
53	Active			
54	Retired			
55	Spouses/Dependants covered by the Plan			

TOP TEN MONTANA COMPENSATED EMPLOYEES (ASSIGNED OR ALLOCATED)

Line No.	Name/Title	Base Salary	Bonuses	Other	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
1	N/A						
2							
3							
4							
5							
6							
7							
8							
9							
10							

COMPENSATION OF TOP 5 CORPORATE EMPLOYEES - SEC INFORMATION

Line No.	Name/Title	Base Salary	Bonuses	Other	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
1	N/A						
2							
3							
4							
5							

BALANCE SHEET

Year: 2002

	Account Number & Title	Last Year	This Year	% Change
1	Assets and Other Debits			
2	Utility Plant			
3	101 Gas Plant in Service	20,368,687	20,413,539	0%
4	101.1 Property Under Capital Leases	1,007,258	1,007,258	
5	102 Gas Plant Purchased or Sold			
6	104 Gas Plant Leased to Others			
7	105 Gas Plant Held for Future Use			
8	105.1 Production Properties Held for Future Use			
9	106 Completed Constr. Not Classified - Gas			
10	107 Construction Work in Progress - Gas	1,657		#DIV/0!
11	108 (Less) Accumulated Depreciation	(4,273,861)	(5,040,738)	15%
12	111 (Less) Accumulated Amortization & Depletion	(62,168)	(71,842)	13%
13	114 Gas Plant Acquisition Adjustments			
14	115 (Less) Accum. Amort. Gas Plant Acq. Adj.			
15	116 Other Gas Plant Adjustments			
16	117 Gas Stored Underground - Noncurrent			
17	118 Other Utility Plant			
18	119 Accum. Depr. and Amort. - Other Util. Plant			
19	TOTAL Utility Plant	17,041,573	16,308,217	4%
20	Other Property & Investments			
21	121 Nonutility Property			
22	122 (Less) Accum. Depr. & Amort. of Nonutil. Prop.	(18,894)	(25,838)	27%
23	123 Investments in Associated Companies			
24	123.1 Investments in Subsidiary Companies			
25	124 Other Investments			
26	125 Sinking Funds			
27	TOTAL Other Property & Investments	(18,894)	(25,838)	27%
28	Current & Accrued Assets			
29	131 Cash	(16,339,380)	(17,978,863)	9%
30	132-134 Special Deposits			
31	135 Working Funds			
32	136 Temporary Cash Investments			
33	141 Notes Receivable			
34	142 Customer Accounts Receivable	331,635	414,432	-20%
35	143 Other Accounts Receivable	48,938	195,240	-75%
36	144 (Less) Accum. Provision for Uncollectible Accts.			
37	145 Notes Receivable - Associated Companies			
38	146 Accounts Receivable - Associated Companies			
39	151 Fuel Stock			
40	152 Fuel Stock Expenses Undistributed			
41	153 Residuals and Extracted Products			
42	154 Plant Materials and Operating Supplies	548,346	896,258	-39%
43	155 Merchandise			
44	156 Other Material & Supplies			
45	163 Stores Expense Undistributed			
46	164.1 Gas Stored Underground - Current			
47	165 Prepayments		25,964	-100%
48	166 Advances for Gas Explor., Devl. & Production			
49	171 Interest & Dividends Receivable			
50	172 Rents Receivable			
51	173 Accrued Utility Revenues			
52	174 Miscellaneous Current & Accrued Assets			
53	TOTAL Current & Accrued Assets	(15,410,461)	(16,446,969)	6%

BALANCE SHEET

Year: 2002

	Account Number & Title	Last Year	This Year	% Change
1	Assets and Other Debits (cont.)			
2				
3	Deferred Debits			
4				
5	181 Unamortized Debt Expense	69,380	69,380	
6	182.1 Extraordinary Property Losses			
7	182.2 Unrecovered Plant & Regulatory Study Costs			
8	183.1 Prelim. Nat. Gas Survey & Investigation Chrg.			
9	183.2 Other Prelim. Nat. Gas Survey & Invtg. Chrgs.			
10	184 Clearing Accounts			
11	185 Temporary Facilities			
12	186 Miscellaneous Deferred Debits			
13	187 Deferred Losses from Disposition of Util. Plant			
14	188 Research, Devel. & Demonstration Expend.			
15	189 Unamortized Loss on Reacquired Debt			
16	190 Accumulated Deferred Income Taxes			
17	191 Unrecovered Purchased Gas Costs			
18	192.1 Unrecovered Incremental Gas Costs			
19	192.2 Unrecovered Incremental Surcharges			
20	TOTAL Deferred Debits	69,380	69,380	
21				
22	TOTAL ASSETS & OTHER DEBITS	1,681,598	(95,210)	1866%
	Account Number & Title	Last Year	This Year	% Change
23	Liabilities and Other Credits			
24				
25	Proprietary Capital			
26	218 Noncorp. Proprietorship (LLC member contr)	6,748,784	7,341,784	
27	201 Common Stock Issued			
28	202 Common Stock Subscribed			
29	204 Preferred Stock Issued			
30	205 Preferred Stock Subscribed			
31	207 Premium on Capital Stock			
32	211 Miscellaneous Paid-In Capital			
33	213 (Less) Discount on Capital Stock			
34	214 (Less) Capital Stock Expense			
35	215 Appropriated Retained Earnings			
36	216 Unappropriated Retained Earnings	(13,201,758)	(13,946,225)	5%
37	217 (Less) Reacquired Capital Stock			
38	TOTAL Proprietary Capital	(6,452,974)	(6,604,441)	2%
39				
40	Long Term Debt			
41				
42	221 Bonds			
43	222 (Less) Reacquired Bonds			
44	223 Advances from Associated Companies			
45	224 Other Long Term Debt	4,909,459	4,217,673	16%
46	225 Unamortized Premium on Long Term Debt			
47	226 (Less) Unamort. Discount on L-Term Debt-Dr.			
48	TOTAL Long Term Debt	4,909,459	4,217,673	16%

BALANCE SHEET

Year: 2002

	Account Number & Title	Last Year	This Year	% Change
1				
2	Total Liabilities and Other Credits (cont.)			
3				
4	Other Noncurrent Liabilities			
5				
6	227 Obligations Under Cap. Leases - Noncurrent	696,577	516,901	35%
7	228.1 Accumulated Provision for Property Insurance			
8	228.2 Accumulated Provision for Injuries & Damages			
9	228.3 Accumulated Provision for Pensions & Benefits			
10	228.4 Accumulated Misc. Operating Provisions			
11	229 Accumulated Provision for Rate Refunds			
12	TOTAL Other Noncurrent Liabilities	696,577	516,901	35%
13				
14	Current & Accrued Liabilities			
15				
16	231 Notes Payable	1,083,781	818,236	32%
17	232 Accounts Payable	77,599	54,848	41%
18	233 Notes Payable to Associated Companies			
19	234 Accounts Payable to Associated Companies	633,239	211,336	200%
20	235 Customer Deposits			
21	236 Taxes Accrued	254,791	274,757	-7%
22	237 Interest Accrued	8,362	8,160	2%
23	238 Dividends Declared			
24	239 Matured Long Term Debt			
25	240 Matured Interest			
26	241 Tax Collections Payable			
27	242 Miscellaneous Current & Accrued Liabilities	288,278	211,910	36%
28	243 Obligations Under Capital Leases - Current	182,486	195,410	-7%
29	TOTAL Current & Accrued Liabilities	2,528,536	1,774,657	42%
30				
31	Deferred Credits			
32				
33	252 Customer Advances for Construction			
34	253 Other Deferred Credits			
35	255 Accumulated Deferred Investment Tax Credits			
36	256 Deferred Gains from Disposition Of Util. Plant			
37	257 Unamortized Gain on Reacquired Debt			
38	281-283 Accumulated Deferred Income Taxes			
39	TOTAL Deferred Credits			
40				
41	TOTAL LIABILITIES & OTHER CREDITS	1,681,598	(95,210)	1866%

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2002

	Account Number & Title	Last Year	This Year	% Change
1	Intangible Plant			
2				
3	301 Organization	145,117	145,117	
4	302 Franchises & Consents			
5	303 Miscellaneous Intangible Plant			
6				
7	TOTAL Intangible Plant	145,117	145,117	
8				
9	Production Plant			
10				
11	Production & Gathering Plant			
12				
13	325.1 Producing Lands			
14	325.2 Producing Leaseholds			
15	325.3 Gas Rights			
16	325.4 Rights-of-Way			
17	325.5 Other Land & Land Rights			
18	326 Gas Well Structures			
19	327 Field Compressor Station Structures			
20	328 Field Meas. & Reg. Station Structures			
21	329 Other Structures			
22	330 Producing Gas Wells-Well Construction			
23	331 Producing Gas Wells-Well Equipment			
24	332 Field Lines			
25	333 Field Compressor Station Equipment			
26	334 Field Meas. & Reg. Station Equipment			
27	335 Drilling & Cleaning Equipment			
28	336 Purification Equipment			
29	337 Other Equipment			
30	338 Unsuccessful Exploration & Dev. Costs			
31				
32	Total Production & Gathering Plant			
33				
34	Products Extraction Plant			
35				
36	340 Land & Land Rights			
37	341 Structures & Improvements			
38	342 Extraction & Refining Equipment			
39	343 Pipe Lines			
40	344 Extracted Products Storage Equipment			
41	345 Compressor Equipment			
42	346 Gas Measuring & Regulating Equipment			
43	347 Other Equipment			
44				
45	Total Products Extraction Plant			
46				
47	TOTAL Production Plant			

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2002

	Account Number & Title	Last Year	This Year	% Change
1				
2	Natural Gas Storage and Processing Plant			
3				
4	Underground Storage Plant			
5				
6	350.1 Land			
7	350.2 Rights-of-Way			
8	351 Structures & Improvements			
9	352 Wells			
10	352.1 Storage Leaseholds & Rights			
11	352.2 Reservoirs			
12	352.3 Non-Recoverable Natural Gas			
13	353 Lines			
14	354 Compressor Station Equipment			
15	355 Measuring & Regulating Equipment			
16	356 Purification Equipment			
17	357 Other Equipment			
18				
19	Total Underground Storage Plant			
20				
21	Other Storage Plant			
22				
23	360 Land & Land Rights			
24	361 Structures & Improvements			
25	362 Gas Holders			
26	363 Purification Equipment			
27	363.1 Liquification Equipment			
28	363.2 Vaporizing Equipment			
29	363.3 Compressor Equipment			
30	363.4 Measuring & Regulating Equipment			
31	363.5 Other Equipment			
32				
33	Total Other Storage Plant			
34				
35	TOTAL Natural Gas Storage and Processing Plant			
36				
37	Transmission Plant			
38				
39	365.1 Land & Land Rights	45,916	45,916	
40	365.2 Rights-of-Way	77,536	77,986	-1%
41	366 Structures & Improvements	1,378,668	1,379,261	0%
42	367 Mains	4,101,412	4,103,071	0%
43	368 Compressor Station Equipment	13,715,127	13,750,634	0%
44	369 Measuring & Reg. Station Equipment	1,393,320	1,387,916	0%
45	370 Communication Equipment	30,690	59,154	-48%
46	371 Other Equipment	163,156	181,157	-10%
47				
48	TOTAL Transmission Plant	20,905,825	20,985,095	0%

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2002

	Account Number & Title	Last Year	This Year	% Change
1				
2	Distribution Plant			
3				
4	374 Land & Land Rights			
5	375 Structures & Improvements			
6	376 Mains			
7	377 Compressor Station Equipment			
8	378 Meas. & Reg. Station Equipment-General			
9	379 Meas. & Reg. Station Equipment-City Gate			
10	380 Services			
11	381 Meters			
12	382 Meter Installations			
13	383 House Regulators			
14	384 House Regulator Installations			
15	385 Industrial Meas. & Reg. Station Equipment			
16	386 Other Prop. on Customers' Premises			
17	387 Other Equipment			
18				
19	TOTAL Distribution Plant			
20				
21	General Plant			
22				
23	389 Land & Land Rights			
24	390 Structures & Improvements	9,332	9,476	-2%
25	391 Office Furniture & Equipment	51,764	51,597	0%
26	392 Transportation Equipment	225,735	225,009	0%
27	393 Stores Equipment			
28	394 Tools, Shop & Garage Equipment	4,311	4,297	0%
29	395 Laboratory Equipment			
30	396 Power Operated Equipment	11,344	11,307	0%
31	397 Communication Equipment	13,829	13,785	0%
32	398 Miscellaneous Equipment			
33	399 Other Tangible Property	8,688	8,688	
34				
35	TOTAL General Plant	325,003	324,159	0%
36				
37	TOTAL Gas Plant in Service	21,375,945	21,454,371	0%

MONTANA DEPRECIATION SUMMARY

Year: 2002

	Functional Plant Classification	Plant Cost	Accumulated Depreciation		Current Avg. Rate
			Last Year Bal.	This Year Bal.	
1	Production & Gathering				
2	Products Extraction				
3	Underground Storage				
4	Other Storage				
5	Transmission		4,013,739	4,753,114	
6	Distribution				
7	General		260,122	287,624	
8	TOTAL		4,273,861	5,040,738	

MONTANA MATERIALS & SUPPLIES (ASSIGNED & ALLOCATED)

SCHEDULE 21

	Account	Last Year Bal.	This Year Bal.	%Change
1				
2	151 Fuel Stock			
3	152 Fuel Stock Expenses - Undistributed			
4	153 Residuals & Extracted Products			
5	154 Plant Materials & Operating Supplies:			
6	Assigned to Construction (Estimated)	20,451		#DIV/0!
7	Assigned to Operations & Maintenance			
8	Production Plant (Estimated)			
9	Transmission Plant (Estimated)	519,854	896,258	-42%
10	Distribution Plant (Estimated)			
11	Assigned to Other			
12	155 Merchandise			
13	156 Other Materials & Supplies			
14	163 Stores Expense Undistributed			
15				
16	TOTAL Materials & Supplies	540,305	896,258	-40%

MONTANA REGULATORY CAPITAL STRUCTURE & COSTS

SCHEDULE 22

	Commission Accepted - Most Recent	% Cap. Str.	% Cost Rate	Weighted Cost
1	Docket Number D95.9.136			
2	Order Number			
3				
4	Common Equity			
5	Preferred Stock			
6	Long Term Debt	50.00%	9.00%	4.50%
7	Other	50.00%	12.00%	6.00%
8	TOTAL	100.00%		10.50%
9				
10	Actual at Year End			
11				
12	Common Equity			
13	Preferred Stock			
14	Long Term Debt	60.00%	3.43%	2.06%
15	Other	40.00%	4.69%	1.88%
16	TOTAL	100.00%		3.93%

STATEMENT OF CASH FLOWS

Year: 2002

	Description	Last Year	This Year	% Change
1				
2	Increase/(decrease) in Cash & Cash Equivalents:			
3				
4	Cash Flows from Operating Activities:			
5	Net Income	(1,759,952)	(1,646,611)	-7%
6	Depreciation	(678,473)	776,551	-187%
7	Amortization	6,944	6,944	
8	Deferred Income Taxes - Net			
9	Investment Tax Credit Adjustments - Net			
10	Change in Operating Receivables - Net	469,569	(229,099)	305%
11	Change in Materials, Supplies & Inventories - Net	(8,041)	(347,912)	98%
12	Change in Operating Payables & Accrued Liabilities - Net	769,553	(753,879)	202%
13	Allowance for Funds Used During Construction (AFUDC)			
14	Change in Other Assets & Liabilities - Net	31,196	(25,964)	220%
15	Other Operating Activities (explained on attached page)			
16	Net Cash Provided by/(Used in) Operating Activities	(1,169,204)	(2,219,970)	47%
17				
18	Cash Inflows/Outflows From Investment Activities:			
19	Construction/Acquisition of Property, Plant and Equipment	(1,463,784)	(43,195)	-3289%
20	(net of AFUDC & Capital Lease Related Acquisitions)			
21	Acquisition of Other Noncurrent Assets			
22	Proceeds from Disposal of Noncurrent Assets			
23	Investments In and Advances to Affiliates			
24	Contributions and Advances from Affiliates			
25	Disposition of Investments in and Advances to Affiliates			
26	Other Investing Activities (explained on attached page)			
27	Net Cash Provided by/(Used in) Investing Activities	(1,463,784)	(43,195)	-3289%
28				
29	Cash Flows from Financing Activities:			
30	Proceeds from Issuance of:			
31	Long-Term Debt			
32	Preferred Stock			
33	Common Stock			
34	Other: Capital contributions from LLC membership	(1,357,021)	1,495,144	-191%
35	Net Increase in Short-Term Debt			
36	Other:			
37	Payment for Retirement of:			
38	Long-Term Debt	(2,455,636)	(691,786)	-255%
39	Preferred Stock			
40	Common Stock			
41	Other:			
42	Net Decrease in Short-Term Debt			
43	Dividends on Preferred Stock			
44	Dividends on Common Stock			
45	Other Financing Activities (explained on attached page)	696,577	(179,676)	488%
46	Net Cash Provided by (Used in) Financing Activities	(3,116,080)	623,682	-600%
47				
48	Net Increase/(Decrease) in Cash and Cash Equivalents	(5,749,068)	(1,639,483)	-251%
49	Cash and Cash Equivalents at Beginning of Year	(10,590,312)	(16,339,380)	35%
50	Cash and Cash Equivalents at End of Year	(16,339,380)	(17,978,863)	9%

Company Name: Hayre Pipeline Company, LLC

SCHE

LONG TERM DEBT

Year:

	Description	Issue Date Mo./Yr.	Maturity Date Mo./Yr.	Principal Amount	Net Proceeds	Outstanding Per Balance Sheet	Yield to Maturity	Annual Net Cost Inc. Prem/Disc.
1	Term Loan	Jan-99	Dec-08	10,163,100	9,509,674	4,217,673	Various	8,810
2	Revolver	Feb-02	Jan-03	402,674	402,674	126,450	Various	2,514
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32	TOTAL			10,565,774	9,912,348	4,344,123		11,324

2002

Total Cost %
0.21%
1.99%
0.26%

PREFERRED STOCK

Year: 2002

	Series	Issue Date Mo./Yr.	Shares Issued	Par Value	Call Price	Net Proceeds	Cost of Money	Principal Outstanding	Annual Cost	Embed. Cost %
1	NONE									
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32	TOTAL									

COMMON STOCK

Year: 2002

1 Cal. 2002									
		Avg. Number of Shares Outstanding	Book Value Per Share	Earnings Per Share	Dividends Per Share	Retention Ratio	Market Price High	Market Price Low	Price/ Earnings Ratio
1		NONE							
2									
3									
4	January								
5									
6	February								
7									
8	March								
9									
10	April								
11									
12	May								
13									
14	June								
15									
16	July								
17									
18	August								
19									
20	September								
21									
22	October								
23									
24	November								
25									
26	December								
27									
28									
29									
30									
31									
32	TOTAL Year End								

MONTANA EARNED RATE OF RETURN

Year: 2002

	Description	Last Year	This Year	% Change
1	Rate Base			
2	101 Plant in Service	21,375,945	21,420,797	0.21%
3	108 (Less) Accumulated Depreciation	(4,336,029)	(5,112,580)	-17.91%
4	NET Plant in Service	17,039,916	16,308,217	-4.29%
5				
6	Additions			
7	154, 156 Materials & Supplies	548,346	896,258	63.45%
8	165 Prepayments			
9	Other Additions			
10	TOTAL Additions	548,346	896,258	63.45%
11				
12	Deductions			
13	190 Accumulated Deferred Income Taxes			
14	252 Customer Advances for Construction			
15	255 Accumulated Def. Investment Tax Credits			
16	Other Deductions			
17	TOTAL Deductions			
18	TOTAL Rate Base	17,588,262	17,204,475	-2.18%
19				
20	Net Earnings	(1,759,952)	(744,467)	57.70%
21				
22	Rate of Return on Average Rate Base	-10.965%	-4.330%	60.51%
23				
24	Rate of Return on Average Equity	-23.696%	-11.400%	51.89%
25				
26	Major Normalizing Adjustments & Commission			
27	Ratemaking adjustments to Utility Operations			
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47	Adjusted Rate of Return on Average Rate Base			
48				
49	Adjusted Rate of Return on Average Equity			

MONTANA COMPOSITE STATISTICS

Year: 2002

	Description	Amount
1		
2	Plant (Intrastate Only) (000 Omitted)	
3		
4	101 Plant in Service	21,421
5	107 Construction Work in Progress	
6	114 Plant Acquisition Adjustments	
7	105 Plant Held for Future Use	
8	154, 156 Materials & Supplies	896
9	(Less):	
10	108, 111 Depreciation & Amortization Reserves	(5,113)
11	252 Contributions in Aid of Construction	
12		
13	NET BOOK COSTS	17,204
14		
15	Revenues & Expenses (000 Omitted)	
16		
17	400 Operating Revenues	2,963
18		
19	403 - 407 Depreciation & Amortization Expenses	798
20	Federal & State Income Taxes	
21	Other Taxes	554
22	Other Operating Expenses	2,745
23	TOTAL Operating Expenses	4,097
24		
25	Net Operating Income	(1,134)
26		
27	415 - 421.1 Other Income	4
28	421.2 - 426.5 Other Deductions	517
29		
30	NET INCOME	(1,647)
31		
32	Customers (Intrastate Only)	
33		
34	Year End Average:	
35	Residential	
36	Commercial	130
37	Industrial	
38	Other	8
39		
40	TOTAL NUMBER OF CUSTOMERS	138
41		
42	Other Statistics (Intrastate Only)	
43		
44	Average Annual Residential Use (Mcf or Dkt)	
45	Average Annual Residential Cost per (Mcf or Dkt) (\$) *	
46	* Avg annual cost = [(cost per Mcf or Dkt x annual use) + (mo. svc chrg x 12)]/annual use	
47	Average Residential Monthly Bill	
48	Gross Plant per Customer	

MONTANA CUSTOMER INFORMATION

Year: 2002

	City/Town	Population (Include Rural)	Residential Customers	Commercial Customers	Industrial & Other Customers	Total Customers
1	Blaine, Chouteau and Hill Counties					
2	-- farmstead Customers	29,652		130	5	135
3						
4						
5	Blaine, Chouteau and Hill Counties					
6	--gas transmission customers	29,652			4	4
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32	TOTAL Montana Customers	29,652		130	9	139

MONTANA EMPLOYEE COUNTS

Year: 2002

	Department	Year Beginning	Year End	Average
1	NONE			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
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40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50	TOTAL Montana Employees			

MONTANA CONSTRUCTION BUDGET (ASSIGNED & ALLOCATED)

Year: 2003

	Project Description	Total Company	Total Montana
1	Capital Construction Budget for 2003 has not been approved by		
2	LLC partners		
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
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20			
21			
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41			
42			
43			
44			
45			
46			
47			
48			
49			
50	TOTAL		

TRANSMISSION SYSTEM - TOTAL COMPANY & MONTANA

Year: 2002

Total Company				
		Peak Day of Month	Peak Day Volumes Mcf or Dkt	Total Monthly Volumes Mcf or Dkt
1	January	1/5/2002	71,642	2,130,597
2	February	2/2/2002	69,177	1,879,290
3	March	3/15/2002	64,245	1,883,463
4	April	4/9/2002	65,037	1,891,710
5	May	5/4/2002	63,317	1,795,232
6	June	6/18/2002	62,773	1,756,263
7	July	7/1/2002	60,944	1,658,495
8	August	8/30/2002	62,256	1,777,020
9	September	9/3/2002	62,684	1,834,857
10	October	10/28/2002	62,613	1,900,635
11	November	11/2/2002	62,301	1,816,994
12	December	12/5/2002	62,399	1,897,532
13	TOTAL			22,222,088

Montana				
		Peak Day of Month	Peak Day Volumes Mcf or Dkt	Total Monthly Volumes Mcf or Dkt
14	January	1/5/2002	71,642	2,130,597
15	February	2/2/2002	69,177	1,879,290
16	March	3/15/2002	64,245	1,883,463
17	April	4/9/2002	65,037	1,891,710
18	May	5/4/2002	63,317	1,795,232
19	June	6/18/2002	62,773	1,756,263
20	July	7/1/2002	60,944	1,658,495
21	August	8/30/2002	62,256	1,777,020
22	September	9/3/2002	62,684	1,834,857
23	October	10/28/2002	62,613	1,900,635
24	November	11/2/2002	62,301	1,816,994
25	December	12/5/2002	62,399	1,897,532
26	TOTAL			22,222,088

DISTRIBUTION SYSTEM - TOTAL COMPANY & MONTANA

Year: 2002

Total Company				
		Peak Day of Month	Peak Day Volumes Mcf or Dkt	Total Monthly Volumes Mcf or Dkt
1	January	NONE		
2	February			
3	March			
4	April			
5	May			
6	June			
7	July			
8	August			
9	September			
10	October			
11	November			
12	December			
13	TOTAL			

Montana				
		Peak Day of Month	Peak Day Volumes Mcf or Dkt	Total Monthly Volumes Mcf or Dkt
14	January	NONE		
15	February			
16	March			
17	April			
18	May			
19	June			
20	July			
21	August			
22	September			
23	October			
24	November			
25	December			
26	TOTAL			

STORAGE SYSTEM - TOTAL COMPANY & MONTANA

Year: 2002

		Total Company					
		Peak Day of Month		Peak Day Volumes (Mcf or Dkt)		Total Monthly Volumes (Mcf or Dkt)	
		Injection	Withdrawal	Injection	Withdrawal	Injection	Withdrawal
		NONE				Losses	
1	January						
2	February						
3	March						
4	April						
5	May						
6	June						
7	July						
8	August						
9	September						
10	October						
11	November						
12	December						
13	TOTAL						

		Montana					
		Peak Day of Month		Peak Day Volumes (Mcf or Dkt)		Total Monthly Volumes (Mcf or Dkt)	
		Injection	Withdrawal	Injection	Withdrawal	Injection	Withdrawal
		NONE				Losses	
14	January						
15	February						
16	March						
17	April						
18	May						
19	June						
20	July						
21	August						
22	September						
23	October						
24	November						
25	December						
26	TOTAL						

SOURCES OF GAS SUPPLY

Year: 2002

	Name of Supplier	Last Year Volumes Mcf or Dkt	This Year Volumes Mcf or Dkt	Last Year Avg. Commodity Cost	This Year Avg. Commodity Cost
1	Big Sky Gas Marketing	50,443	46,954	\$3.9744	\$1.6216
2					
3					
4					
5					
6					
7					
8					
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10					
11					
12					
13					
14					
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27					
28					
29					
30					
31					
32					
33	Total Gas Supply Volumes	50,443	46,954	\$3.9744	\$1.6216

MONTANA CONSERVATION & DEMAND SIDE MANAGEMENT PROGRAMS

Year: 2002

	Program Description	Current Year Expenditures	Last Year Expenditures	% Change	Planned Savings (Mcf or Dkt)	Achieved Savings (Mcf or Dkt)	Difference
1	NONE						
2							
3							
4							
5							
6							
7							
8							
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26							
27							
28							
29							
30							
31							
32	TOTAL						

MONTANA CONSUMPTION AND REVENUES

Year: 2002

	Sales of Gas	Operating Revenues		MCF Sold		Avg. No. of Customers	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	Residential	87,502	82,426	43,109	40,608	125	119
2	Commercial - Small						
3	Commercial - Large						
4	Industrial - Small						
5	Industrial - Large						
6	Interruptible Industrial	7,804	4,681	3,845	2,306	5	4
7	Other Sales to Public Authorities						
8	Sales to Other Utilities						
9	Interdepartmental						
10							
11	TOTAL	\$95,306	\$87,107	46,954	42,914	130	123
12							
13							
14							
15	Transportation of Gas	Operating Revenues		BCF Transported		Avg. No. of Customers	
16		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
17		2,867,387	3,160,674	22	25	4	4
18							
19							
20	Utilities	2,867,387	3,160,674	22	25	4	4
21	Industrial						
22	Other						
23		\$2,867,387	\$3,160,674	22.1	24.5	4	4
24	TOTAL						